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UNCLAS SECTION 01 OF 04 AMMAN 006951

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STATE FOR NEA/LEA STATE PASS TO USTR - C. NOVELLI, E. SAUMS

E.O. 12958: N/A

TAGS: SOCI ETRD PREL KTIA ECON ELAB IS JO SUBJECT: QIZ GARMENT FACTORIES IN JORDAN: STITCHING A NEW

SOCIAL FABRIC

REF: AMMAN 4250

 $\P1$. (SBU) SUMMARY: Qualifying Industrial Zones (QIZs) in Jordan have created thousands of semi-skilled industrial jobs, attracted foreign investment, and increased exports. Less evident are the ensuing impacts that the factories have had on individuals, families, and villages - particularly in the conservative rural areas of the country. Persistent concerns about factory jobs include mixing of men and women, misperceptions about foreign laborers, and cooperation with Israelis in QIZ operations. Balanced against these negative perceptions are the social and economic benefits of manufacturing operations. Particularly on the level of individual workers, QIZ jobs are instrumental in giving a new generation of Jordanian women more influence over personal finances, limited independence and mobility, exposure to new cultures, and gratification from providing their families with income. Challenges for the future include instilling a mentality of industrialism in the Jordanian workforce and battling Jordanian public misconceptions about the nature of factory work. END SUMMARY.

BACKGROUND, DEMOGRAPHICS, AND OPERATIONS

- 12. (SBU) Established as a result of Jordan,s 1994 peace treaty with Israel, Qualifying Industrial Zones (QIZs) are host to more than 50 garment factories and provide jobs for some 22,000 Jordanian workers per year. Approximately half of these are women from rural areas who have very few alternatives for employment. According to several women, as many as 90 percent of the young men and women in their factory provides transportation for the workers from their homes, which are typically a 30-45 minute bus-ride from the factory but can be as far as 1.5 hours away. Normal shifts are six days a week, eight hours a day, though at least two hours of overtime daily are usually expected. Laborers ealittle more than the minimum wage of 85 JD per month; (the Laborers earn average monthly wage in Jordan across all sectors is approximately 200 JD). Conditions in these factories are generally good; labor rights are closely monitored by American buyers, the Ministry of Labor, and labor unions (Ref A).
- 13. (SBU) The majority of female Jordanian QIZ laborers are between the ages of 19 and 25 and unmarried. New workers join cutting and finishing lines, and more experienced Jordanians join foreign workers on sewing lines and in quality control departments. Most Jordanian men work in the packing and shipping departments, while a small number of foreign men among the 15,000 foreign QIZ laborers (largely South and East Asians) work alongside the women in sewing. Most QIZ workers graduated from high school but did not score high enough on exams to go to public universities, and a handful are current university students working during summer vacation. The vast majority of women who Emboffs met during factory visits indicated that even if they wanted to continue employment after marriage, their husbands would oblige them to work at home unless the family was desperate for additional money.
- $\underline{\P}4$. (SBU) Research for this report included tours of 12 factories in different regions of Jordan, brief exchanges with individuals on the production lines, and hour-long interviews with small groups of investors, managers, and 25 Jordanian laborers. Most of these laborers were selected randomly and interviewed away from their employers with the help of embassy FSN translators.

FEARS, RUMORS, AND MISCONCEPTIONS: REACTIONS TO FACTORY WORK

¶5. (SBU) The creation of non-traditional workplaces such as QIZ factories have generated negative reactions in some conservative quarters of Jordan. Foremost is the concern that women are working with unknown men and unsupervised by family members. While women and men usually work in separate departments and have limited interaction with each other, public concern about inappropriate gender relations is the primary factor preventing families from letting their female family members work.

- ${ t \underline{1}}{ t 6}$. (SBU) In Jordanian culture, even unsubstantiated rumors of flirtation or promiscuity can prove damaging. This concern is abated for many female workers whose male uncles, cousins, or brothers work in the same factory and can be aware of other workers, activities. Still, female laborers express dismay that many men refuse to marry a girl who has ever worked in a factory, assuming she would have had unsupervised relationships with other men and judging her family to be incapable of providing for her. Men working in the factories said they would not want their wives or sisters to work there, defending themselves as able to provide for their own family.
- (SBU) Working with foreigners from South and East Asia is initially a major concern for employees, though after several weeks it ends up being one highlight of the job. Jordanians were most concerned about the language barrier and cultural differences, including some of the clothing foreign girls wear to work. One woman who had been working in a factory for several years said she has seen new Jordanian employees arrive for the first day and, after seeing so many Asian workers, not come back because they were worried about SARS. Jordan University Professor of Sociology Musa Shteiwi confirmed hearing several rumors that the foreigners in QIZs are prostitutes. He stressed that in most cases this label was being applied to girls who were just talking to or walking alone with men - activities which may be considered harmless in their countries but raise suspicions in Jordan.
- 18. (SBU) Over time, observers note, fears of working with the foreigners subside, and with a little new vocabulary and a lot of gesturing, many become friends. "I get postcards and even a couple phone calls - from my friends who have returned to China," exclaimed one woman, explaining that she had invited foreign friends to spend weekends at home with her family. Other women agreed that working with foreigners has made them more open-minded and accepting of different cultures.
- 19. (SBU) Predictably, another snag about working in QIZs is their association with Israeli businesses. To qualify for quota- and duty-free access to the U.S., garments must contain at least eight percent content from Israel. Because Israeli goods and labor are much more expensive than products from Asia, Jordanian QIZs only use small items such as zippers, buttons, and thread from Israel. But even a minor contribution from such a controversial partner has generated a backlash. Some groups scorn QIZ laborers for making dirty money., Most workers said that people in their home towns or cities thought the factories were all owned and operated by Israelis and did not believe that investors were largely Chinese, Pakistani, or Indian.
- 110. (SBU) The Israeli-Palestinian conflict has contributed more to the negative perceptions of QIZs than any other factor, according to Amer Hadidi, the Director of Industrial Development at the GOJ Ministry of Industry of Trade (protect source). Hadidi noted "a very clear and direct relationship between resistance to working for QIZs and increased problems in the West Bank," which have both increased significantly over the last four years. Hadidi emphasized that mosques are seen as the most legitimate institution in conservative areas of Amman, and some fuel dissent over QIZs; some vocal prayer leaders and Islamic political activists exaggerate the benefits Israel receives from QIZs.
- 111. (SBU) Hadidi also explained that labor unions can also be highly politicized and speak out against cooperating with Israelis. Bruce Mathews, a USAID-funded advisor to the Minister of Labor, expressed frustration that the media does Minister of Labor, expressed flustration that the media does not want to be associated with the positive aspects of QIZs. He noted that there have been some articles in Arabic papers outlining the economic benefits of factory employment but none showing the positive social effects. To combat these none showing the positive social effects. To combat these negative public perceptions, the Ministry of Labor is launching a media campaign over TV and radio highlighting the value of work and encouraging women to consider non-traditional jobs.

QIZS PROVIDE INCREASED INDEPENDENCE

112. (SBU) Despite the somewhat negative reactions to factory work among rural and urban conservatives alike, workers themselves are relieved to get out of the house and positively contribute to their families, lifestyles. The women unanimously agreed that working in a factory is "better than staying at home," where they would usually be "bored, watching TV, and wasting time." Increased responsibility is evidenced by the fact that, in many cases, the women

themselves initiate the desire to work, having to convince their families to let them go. Only after tours of the QIZs and assurances from managers do parents relent, according to Human Resource Managers in several different factories.

- 113. (SBU) For many girls, working has enabled them to travel unaccompanied outside their cities for the first time. This is most dramatically the case in three factories that house some of the Jordanian women who live more than an hour away in dorms within the QIZ. One dorm resident said, "of course I felt lonely in the beginning, but now the other girls in my dorm are like family." Others agreed, laughing that when they do go home on weekends, their families are happier to see them than if they came home every day.
- 114. (SBU) Additionally, working in the factories has given women friends, contacts, and exposure to other regions in Jordan. "I never imagined I would be able to meet people from so many places not only from different countries but also from different cities within Jordan," exclaimed one girl from a small village near Irbid. Such friendships may go a long way towards encouraging independence as women have more interaction with individuals outside of the more traditional family and village networks. For now, however, women working in the factories explained that they do not visit friends, houses for an evening unless their families know each other.

ECONOMIC EMPOWERMENT

- 115. (SBU) The control each woman has over how her paycheck is spent varies widely depending on her family,s situation and resources. For those who have brothers with jobs, the monthly payment is only a small supplement to the family,s income; these women are able to pay for their own clothes, entertainment, and even education. In fewer cases, women are the only income-earning member of their family, responsible for the welfare of their parents and younger siblings while also expected to do most of the housework after coming home. On average, women give two-thirds of each check to their father and spend one-third on themselves.
- 116. (SBU) Much of the money spent on themselves is used to buy gifts for family members, including, for example, a bicycle for younger brothers or jewelry for grandmothers. The ability to spend their own money and buy gifts is a strong incentive to work overtime and exceed production quotas, for which each company gives bonus awards. Etaf Halasseh, a manager of the Village Program at the Ministry of Labor which provides subsidies for Jordanian women to live in the dorms at Al-Tajamouat QIZ, was amazed to see the changes in attitudes and appearances of women who had worked at the factories. Without having to depend on their parents for an allowance, these women were "cleaner, and had bought makeup and nicer head-scarves." Halasseh also noted that the women in the Village Program were healthier, as they were fed three times a day at the factories, something their families were often unable to provide.
- 117. (SBU) Though skeptical at first, families who decide to allow females to work in the factories are largely supportive of their work and extend greater trust in their relations with strangers, according to most Jordanian factory workers. Although the wages women earn are generally supplemental to other sources of income for a family, working and bringing home a paycheck has begun to change the young women,s role at home. With some exceptions, employed women say they are no longer entirely responsible for cooking, cleaning, or taking care of younger children. These women still assist with chores, but their household help is no longer expected or taken for granted by other family members.
- 118. (SBU) Most companies distribute payments in cash once a month, but at least one has established a bank account with an ATM card for each employee and makes direct deposits of the paychecks. Women in this factory liked being bank customers and learning personal accounting skills, saying it made them feel "professional."

COMMENT: IMPACTS FOR INDIVIDUALS, FAMILIES, AND COMMUNITIES

119. (SBU) With a high percentage of young men and women in several villages working in QIZ factories over the last three to four years, garment factories are slowly changing the social and economic relationships of employees within their families and villages. That so many women on their own initiative begin working in QIZs is remarkable in traditional Jordan; these women are willing to go against negative public stereotypes about working with foreigners and to risk losing marriage proposals because of their factory experience. For most women, the small amount of money they earn on the production line does not allow them to influence drastically family purchases or their own personal savings. It does,

however, give them pride and satisfaction to contribute to their families, quality of life, as they attest.

120. (SBU) Until more balanced and informed opinions about gender relations, foreign workers, and Israeli partnerships convince the wider population that QIZ factories can improve quality of life, these factories will remain a source of some skepticism and disharmony. Even for individuals and families that experience the social and economic benefits of these job opportunities first hand, there is little incentive or capacity to speak out against misinformation often spread by anti-Israeli factions. Likewise, foreign investors and owners of the factories are concerned about sustainable business prospects rather than long-term effects on the Jordanian population. While they may try hard to offer decent jobs, they prefer to steer clear of political arguments and media attention.